

0250 - Rural Services Department

Interim Progress Report

for the reporting period July 1, 2003 - June 30, 2004

Section I. Agency Update and Assessment

1. Emerging Issues at the Federal (National) or State level affecting the agency.

There are no emerging issues on the federal or state level affecting our agency. Issues that continue to affect the Department of Rural Services include (1) the Americans with Disabilities Act and our review process of grant recipients' requests ensuring their compliance of the Act and (2) the definition of "rural" for our grants. Federal guidelines define rural as any area of population of 20,000 or less. The Arkansas Rural Development Commission initially adopted the guidelines of using the number 3,000 or less in population to distinguish a rural area of Arkansas for grant purposes, and this number continues to be the benchmark for defining "rural."

2. Status of any new initiatives funded from General Revenue or General Improvement funds in the 2003 Legislative Sessions and other changes made through General Legislation.

This agency had no NEW initiatives funded from general revenue or general improvement funds in the 2003 Sessions.

3. Discuss significant factors internal and external to the agency affecting agency performance.

The available appropriation of funds to our agency directly affects the total number of grants able to be dispersed and the number of people assisted by the agency. State wide budget cuts had a diverse affect on the predicted performance goals of the agency.

4. Provide comments on the usefulness and reliability of performance measures.

The performance measures provide a useful tool to evaluate the overall performance of the Department of Rural Services. We are able to verify the quantity of individuals assisted in rural Arkansas by the agency, and use this information to build our resources and future planning for the agency.

5. Discuss significant uses of line item flexibility in this report period (agencies operating under Performance-Based Appropriations only).

The Department of Rural Services is not under performance-based appropriation.

Program 1: Rural Services Program

Goal 1: Department of Rural Services will provide comprehensive information and assistance relating to the development and revitalization of rural Arkansas communities.

Objective 1: To serve as a clearinghouse and providing timely comprehensive information and advocacy services to agencies, individuals, or corporations engaged in rural development and revitalization programs.

<u>Measure Number</u>	<u>Performance Indicators</u>	<u>Annual Target</u>	<u>Actual YTD</u>	<u>Comments</u>
1	Number of prior year audit finding repeated in subsequent years	1	1	Agency found to have inadequate control over cash transactions because of insufficient segregation of duties due to a limited number of personnel.
2	Number of Arkansans that participate in Department conferences and workshops.	375	628	Report for Fall Retreat and Annual Conference.
3	Number of individuals assisted by staff with rural issues each year.	550	598	Twelve Months Data.

Comments on performance matters related to Objective 1:

Program 2: Rural Grants Program

Goal 1: Department of Rural Services will provide comprehensive information on available grants and award and administer those grants relating to the development and revitalization of rural Arkansas communities.

Objective 1: To provide extensive information to rural areas of available grant funds and to administer grant funds to those communities chosen as grant recipients.

<u>Measure Number</u>	<u>Performance Indicators</u>	<u>Annual Target</u>	<u>Actual YTD</u>	<u>Comments</u>
1	Number of rural community grants awarded.	78	78	Twelve Months Data. (as of June, 2004)
2	Number of rural communities assisted by Funded grants.	105	122	Twelve Months Data.

Comments on performance matters related to Objective 1: